Arms dropped by Pak Army

†4728. SHRI JANESHWAR MISHRA: Will the Minister of DEFENCE be pleased to state:

(a) whether it is a fact that Pak army has dropped weapons in the Indian territory several times in the past;

(b) if so, the details thereof;

(c) whether it is also a fact that once again the failure of intelligence agencies have been exposed in this matter; and

(d) the response of Government in this regard?

THE MINISTER OF DEFENCE (SHRI GEORGE FERNANDES): (a) Even while it is well known that Pakistan has been actively engaged in attempts to push in arms and ammunition in Indian territory with the objective of intensifying the proxy war in J & K, no instance of Pakistani Army having dropped weapons in the Indian territory has come to notice.

(b) to (d) Do not arise.

Modernisation of Army with latest Equipment

4729. DR. ALLADI P. RAJKUMAR: Will the Minister of DEFENCE be pleased to state:

(a) whether Government's attention has been drawn to the news-item appearing in the "Asian Age dated 29th March, 2000 captioned "Army parks funds with PSU to save 1000 crores";

(b) if so, the facts thereof; and

(c) the action proposed to modernise and upgrading army with latest equipment?

THE MINISTER OF DEFENCE (SHRI GEORGE FERNANDES): (a) Yes, Sir.

(b) The procurements of equipments/stores from defence public sector undertakings (PSUs) are made against specific demand of the Services only after obtaining commercial offers and price negoitations by a duly constituted Price Negotiation Committee (PNC). The terms of payment are also *inter alia*, negotiated and mutually agreed. Advances/on account payments are released to the PSU against specific orders. The Ordnance Factory Board (OFB) supplies

†Original notice of the question was received in Hindi.